

INNOVATIVE PRACTICES IN STATE DOT WORKFORCE MANAGEMENT

SUCCESSION PLANNING

Succession Planning— Building Leadership Capacity

The Minnesota Department of Transportation (Mn/DOT) initiated a formal succession-planning program in the mid-1990s. The program is an executive-level process designed to develop and/or externally recruit employees to support targeted leadership positions. Currently in its third iteration, the succession-planning initiative uses a competency-based, developmentally driven executive staffing model to identify a talent pool of successors who can move into crucial positions without unnecessary operational disruptions. The program has directly influenced more than 20 senior executive management appointments. The Mn/DOT succession-planning program has become a standard for successful succession planning, and several other state transportation agencies are using it as the model for developing their own programs.

The Minnesota Department of Transportation (Mn/DOT) began to explore a succession-planning in 1994. The intent was to create a model for identifying essential executive-level positions and then developing internal candidates or recruiting externally to support those positions. The program ensures that future leadership aligns with the Department's strategic goals and objectives and that the Department can take advantage of Mn/DOT's talent pool.

Defining Mn/DOT's Core Competencies

As a first step in developing its succession-planning model, the Mn/DOT Senior Executive Management Team created a steering committee of senior managers to direct the process. The committee first researched best practices in the private sector, including corporations such as 3M, Weyerhaeuser, and General Motors. The committee then used the private sector experience to identify individual core competencies that describe how successful employees perform on the job and help employees understand desired actions and behaviors.

Committee members originally identified 40 core competencies, but they were then able to refine and recommend the following seven individual competencies:

- Leadership.
- Learning and strategic systems thinking.
- Quality management.
- Organizational knowledge.
- People management.
- Technical knowledge.
- Individual characteristics.

The committee believed that these seven core competencies support Mn/DOT's mission, vision, and goals.

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Each core competency is further detailed to help communicate to employees the Department's expectations that align behavior with organizational goals. Consider the desired attributes of the leadership core competency. They include building constructive relationships; taking calculated risks; acting decisively in a crisis; communicating clearly and effectively; taking actions to improve practices and procedures; and being sought out by others for counsel and advice.

The steering committee built on the core competencies to develop criteria for effective leadership. Additionally, the seven core competencies guide Mn/DOT human resource functions and provide a framework for accountability throughout the Department. Once adopted, the core competencies became integral components of the ongoing performance management process. They are incorporated

in position descriptions, performance communication, career planning, and employee recruitment and selection—in addition to the succession-planning model.

Wayne Brede, Mn/DOT Staffing Manager, chaired the task group that defined the core competencies and developed the succession-planning model for steering committee approval and endorsement. "The core competencies were the first step. They make managers and supervisors responsible for regular feedback to their employees while keeping the agency firmly focused on meeting organizational goals."

The Succession-Planning Model

With the core competencies as the foundation, the steering committee developed a four-phase succession-planning model. The model provides a competency-based, multitiered process designed to identify and foster the Department's leaders of tomorrow:

- Gather data.
- Solicit participants.
- Conduct assessment.
- Provide feedback.

With steering committee approval of the model, Wayne Brede and his staff developed the marketing and education plan to introduce the model to all Mn/DOT managers and then managed the model's implementation throughout the Department.

Data Gathering

This first phase begins with a senior executive management team review. Here, the Department's decision makers address emerging initiatives that could affect staffing needs. They review potential organizational realignments to support legislative initiatives and other issues that could affect resource allocations.

The succession-planning process begins when the review team considers anticipated vacancies in key management positions. The positions might be vacant or newly created. A manager may be nearing retirement or scheduled to assume another leadership position in the Department. The concern then is whether the right people are in line to assume those positions.

By targeting essential positions, the team also begins to identify individuals who can perform the job. The team uses a Succession Plan Position Profile for each targeted position, which identifies and prioritizes the core competencies and defines qualifications essential to filling that position (see Competency Rankings box, page 3).

Solicit Participants

After the senior executive management review team identifies high-profile positions that may be vacant in the next two to three years, it distributes an Interest Survey and Job Profiles to all senior-level managers. Participation in the succession-planning program is, however, a self-selection process. All Mn/DOT senior managers must complete the survey; however, usually less than half of the potential candidates ask to be considered for the targeted positions.

The review team then assesses the applications and compiles results. The team invokes the Rule of Three when considering positions and candidates. This means that members try to identify three employees who could step into a position. They identify one individual qualified now to fill the job; a second could assume job responsibilities with some preparation. A third candidate isn't ready yet, but the individual demonstrates potential and has the long-term commitment to master the job.

The survey gathers information about individuals' willingness to participate in the program. Other information requested includes whether respondents are willing to relocate. The survey also asks candidates to indicate at least three positions in which they are interested.

Conduct Assessment

Once selected for the program, candidates begin the Mn/DOT Succession Plan Performance Process. This

phase involves an in-depth appraisal of each candidate. Appraisals include a self-assessment, a supervisor's assessment, review of the employee's interest survey, and a review by a core assessment group that includes immediate supervisor, and division director/assistant commissioner. It could also involve a bureau head or other division directors.

Mn/DOT's succession-planning program is now in its third cycle, and each iteration improves the process. The current program includes a modified 360-feedback assessment on leadership, employee attitudes, team effectiveness, and more. It entails a review with peers, customers, and coworkers before the supervisor's assessment. According to Mn/DOT's Wayne Brede, "The 360-feedback assessment helps us focus on the candidates' most recent behavior, and most importantly, on their work experience."

For example, if the candidate is an engineer, the assessment

Competency Rankings (A = most critical)

- Leadership – A
- Individual Characteristics – A
- People Management – A
- Organizational Knowledge – B
- Technical Knowledge – B
- Quality Management – C
- Learning and Strategic/Systems Thinking – C

will concentrate exclusively on that area. Continues Wayne Brede, "We want to know what the individual has done, what is the real-life experience. Has the person worked in the Central Office as opposed to having more field experience? We feel that it's important for candidates to have strong experience on both sides of the business because that builds an appreciation of practical and managerial factors that affect decision making."

Mn/DOT emphasizes practical experience over an individual's academic credentials. "We're more interested in what individuals have done professionally, what they've contributed to the organization," observes Wayne Brede. Mn/DOT has several senior managers who contribute a wealth of experience, without the academic credentials.

Provide Feedback

An essential component of succession planning is the feedback candidates receive. Respective division directors or

assistant commissioners review candidates' 360-degree feedback assessment information and other evaluations and discussion session reviews. This information is then given to the employee by the immediate supervisor. Once the candidates review the feedback, they meet with immediate supervisors and possibly the division director/assistant commissioner for further review and comment.

Feedback is not mandatory, but all candidates who request it will receive it. Most candidates feel that the feedback element is one of the most important in the process. Linda Bjornberg, Mn/DOT Director of Management Operations (see sidebar), is part of the succession-planning program. "I found the feedback I received from peers and supervisors to be invaluable. It's a good learning experience because you understand how others perceive your leadership style and you discover the areas that you need to improve," says Linda Bjornberg. "I've found it especially helpful in providing feedback to my own employees."

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Learning Leadership

During the first round of the succession-planning program, I was the Director of Human Resources for Mn/DOT. I liked my job and didn't think that I was interested in changing, but I also thought it would be useful to go through the process, especially the feedback component. I felt that it would help me work better with my staff. So, I completed the forms and met with the review panel. During the feedback session, panel members talked about the different positions involved in the succession-planning program. They described the capabilities necessary, and which jobs I might be interested in pursuing. Frankly, I wasn't interested; I was simply looking for opportunities for professional growth.

Quite honestly, I was disappointed with the level of feedback I received the first round. I did get some insights from a district manager that gave me some insight into the areas where I needed more experience. Shortly thereafter, however, the Assistant Director of Management Operations position became available. Although I wasn't looking to move, I decided to apply, primarily because I was interested to see how my own performance had improved, based on the first iteration of the succession-planning process. They offered me the job.

When the next cycle came around, I again submitted my application. This was a much better experience for me because the feedback was much more extensive. I understood better how I needed to grow professionally. The group assessment focused most on my experience and successes rather than on the skills and competencies for the next level.

Mn/DOT has developed a valuable model for succession planning. As you go through the interview and feedback process, you get better insights into how to provide constructive feedback to your employees. This is especially valuable to a manager who has to make hiring decisions.

Another to understand is that you can go through the evaluation process, but advancement isn't a given. Just because you're in the succession-planning program doesn't mean translate into automatic promotion. However, participating in the program is an opportunity for personal and professional growth. It alerts the organization that someone is interested in advancing and assuming new responsibilities. It shows that I am competitive and that I'm willing to put in the extra effort to qualify for more challenging assignments. The Mn/DOT succession-planning program creates those opportunities.

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